

MONDAY, 29 MAY 2017

15.00 - 18.30

TUESDAY, 30 MAY 2017

09.00 - 12.30 and 15.00 - 18.30

Rooms: Paul-Henri Spaak (4B001) and Altiero Spinelli (5G-3)

1. ADOPTION OF THE AGENDA

The draft agenda was emailed to Members on 22 May 2017 and is in the [file for the meeting](#).

2. CHAIR'S ANNOUNCEMENTS

The Chair draws attention to the following points:

Meeting room

The CONT meeting will be held in room PHS (4B001), except for one slot on Tuesday, 30 May, from 11.00 to 12.30, which will take place in room ASP (5G-3).

Languages available

Monday, 29 May: **FR, DE, IT, NL, EN, ES, CS, ET, HU, PL, BG, RO** (Room PHS 4B001)

Tuesday, 30 May, from 9.00 to 9.15: **FR, DE, IT, EN, EL, ES, PT, CS, PL, SK, SL, RO** (Room PHS 4B001)

from 9.15 to 11.00: **FR, DE, IT, EN, EL, ES, PT, FI, CS, ET, LV, PL, SK, SL, BG, RO** (Room PHS 4B001)

from 11.00 to 12.30: **FR, DE, IT, NL, EN, ES, CS, ET, HU, PL, BG, RO** (Room ASP 5G-3)

from 15.00 to 18.30: **FR, DE, IT, NL, EN, ES, CS, ET, HU, PL, BG, RO** (Room PHS 4B001)

Webstreaming

The CONT meeting is webstreamed on the [Europarl web-site](#).

Please be aware that each time a speaker activates the microphone to make an intervention, the camera will be automatically directed to the speaker.

Voting cards

The electronic voting system will be used for the vote and Members are reminded to bring their electronic voting card.

Committee on Budgetary Control

Staff changes in the CONT Secretariat

Mauro De Oliveira left CONT secretariat on 1 May 2017
Marcia Maguire joint CONT secretariat on 18 April 2017.

We wish them success in their new assignment.

MONDAY, 29 MAY 2017

15.00 - 18.30

Room: Paul-Henri Spaak (4B001)

PUBLIC MEETING

3. WORKSHOP ON THE FUTURE OF OLAF

CONT/8/09910



Rapporteur : [Inge Gräßle](#) (EPP)

Administrators : Christian Ehlers (CONT Secretariat), Vera Milicevic (PolDep D)

Pursuant to Article 19 of the OLAF Regulation, Commission is bound to submit by 2 October 2017 an evaluation report on the application of the OLAF regulation 883/2013 and on the need to amend it. A first interim-version of the evaluation was presented at an OLAF conference in March. It is in this context that CONT decided to organise a workshop on the future of OLAF.

It is therefore to be expected that the Commission will present a proposal for an amending regulation within the coming months. The objective of the workshop is to gather feedback from stakeholders on how the OLAF regulation is currently being applied and what progress may be needed to prepare for the future. The workshop's four panels will discuss the future cooperation between OLAF and the European Public Sector Prosecutor's Office (EPPO), OLAF investigations and the rights of persons concerned, the follow up of OLAF recommendations, and the lessons learnt from OLAF cases.

The programme is available on the [committee website](#)

TUESDAY, 30 MAY 2017

09.00 - 11.00

Room: Paul-Henri Spaak (4B001)

PUBLIC MEETING

FIGHT AGAINST FRAUD TO THE UNION'S FINANCIAL INTERESTS BY MEANS OF CRIMINAL LAW- SECOND READING (Joint meeting with LIBE)

CJ09/8/08825



Exchange of views on the draft report - second reading

Co-Rapporteurs: [Inge Gräßle](#) (EPP), and [Fernando López Aguilar](#) (S&D)

Administrators: Tereza Pinto De Rezende (CONT), Amparo Rueda Bueso (LIBE)

Shadow Rapporteurs: Barbara Matera (EPP), Inés Ayala Sender (S&D), Ryszard Czarnecki & Monica Macovei (ECR), Gerben-Jan Gerbrandy & Maite Pagazaurtundua Ruiz (ALDE), Rina Ronja Kari & Dennis de Jong (GUE/NGL), Bart Staes & Eva Joly (Greens/EFA), Marco Valli & Laura Ferrara (EFDD)

The co-legislators reached a political agreement on the proposal for a Directive on 30th November 2016. This agreement was endorsed by the joint committees in a vote on 12 January 2017. The Council adopted its first reading which reflects the compromise reached in negotiation between Parliament and Council on 25 April 2017.

Following the announcement by the plenary of the Council's position, the co-Rapporteurs propose in the draft report to endorse the Council's first reading without amendments.

Provisional Timetable:

Event	Body	Date
Deadline for tabling amendments	CONT-LIBE	6 June 2017
Adoption in Committee	Joint CONT-LIBE meeting	21 June 2017
Vote in plenary	Plenary	JULY

***** ELECTRONIC VOTING *****

FINANCIAL RULES APPLICABLE TO THE GENERAL BUDGET OF THE UNION (Joint meeting with BUDG)

CJ13/8/09028



Adoption of draft report and vote on the decision to enter into interinstitutional negotiations

Co-Rapporteurs: [Richard Ashworth](#) (ECR) and [Inge Gräßle](#) (EPP)

Administrators: Alix Delasnerie (BUDG), Jeremie Requis (BUDG), Philippe Godts (CONT)

Shadow Rapporteurs: Petri Sarvamaa (EPP), Inés Ayala Sender & Vladimír Maňka (S&D), Nedzhmi Ali (ALDE), Liadh Ní Riada (GUE/NGL), Bart Staes & Indrek Tarand (Greens/EFA), Marco Valli (EFDD)

The abovementioned draft proposal forms an integral part of the mid-term review of the multiannual financial framework 2014-2020. The Commission proposes in a single act to revise the general financial rules and tables corresponding changes to the sectorial financial rules set out in 15 legislative acts.

Inge Gräßle and Richard Ashworth, respectively BUDG and CONT co-rapporteurs, tabled 210 proposals of amendments to modify the Commission draft, reaffirming the EP prerogatives as to the budgetary procedure and some of the key principles of the financial management.

The deadline for the amendments to be tabled by BUDG and CONT Members was 12th April. All the amendments are available on [CONT and BUDG web sites](#).

EMPL, ITRE; TRAN, REGI, AGRI, committees are associated under rule 54 and PECH, LIBE, AFET and DEVE committees gave an opinion under rule 53 of the Rules of procedure. These committees adopted opinions proposing legislative amendments.

The voting list will be circulated as soon as possible.

***** END OF ELECTRONIC VOTING *****

TUESDAY, 30 MAY 2017

11.00 -12.30

Room: Altiero Spinelli (5G-3)

PUBLIC MEETING

4. ECA SPECIAL REPORT N°35/2016 (2016 DISCHARGE) ON “THE USE OF BUDGET SUPPORT TO IMPROVE DOMESTIC REVENUE MOBILISATION IN SUB-SAHARAN AFRICA”

CONT/8/09380



Presentation of the Special Report by the Member of the European Court of Auditors responsible, *Danièle Lamarque*, and consideration of a working document

Rapporteur: [Bart Staes](#) (Greens/EFA)

Administrator: Olivier Sautière

Shadow Rapporteurs: Claudia Schmidt (EPP), Iris Hoffmann (S&D), Hannu Takkula (ALDE), Younous Omarjee (GUE/NGL)

Domestic revenue mobilisation (DRM) refers to the generation of government revenue from domestic resources, from tax or non-tax sources. The provision of a wide range of welfare services (education, public infrastructure, health care) that reinforce poverty reduction and sustainable development cannot rely solely on international aid, these services need also to be covered by domestic revenue, which is the biggest source of financing available to the governments.

A substantial amount of the EU funding is channeled through budget support (i.e. around 20% of EU disbursements in the development cooperation), which is defined as the transfer of financial resources to the national treasury of a partner country, following compliance by the latter with agreed conditions for payment. Besides financial transfers, budget support has three other components: policy dialogue with the partner country, performance assessment based on disbursement conditions, and capacity development.

The Court focused its review on (i) whether the Commission adequately assessed partner countries' revenue policies and administration in coordination with other donors; (ii) whether it used budget support conditionality, policy dialogue and capacity development to support DRM effectively; and (iii) whether there are clear indications that EU budget support made a positive contribution to DRM in the partner countries. On this basis, the following shortcomings were identified:

- the Commission's new approach increased the potential of budget support to reinforce DRM, but the implementation weaknesses prevented that potential from being fully exploited;
- the Commission gave insufficient consideration to DRM when designing its budget support operations and the country assessments audited did not cover some essential aspects of fiscal policy and key risks related to tax exemptions and to the collection and transfer of taxes and non-tax revenues from natural resources were not evaluated;
- the Commission had made the disbursement of budget support funds conditional on the fulfilment of specific DRM reforms in only five of the 15 budget support contracts audited and these conditions did not always effectively promote DRM reforms;

- the Commission did not develop strategies for structuring its policy dialogue around concrete DRM issues;
- the EU's budget support included very little funding to address capacity needs and revealed a lack of appropriate monitoring tools to assess the extent to which budget support contributed to overall improvements in DRM.

The Rapporteur welcomes the observations of the special report and stresses the importance of domestic revenue mobilisation (DRM) in the less-developed countries as it reduces dependence on development aid, leads to improvements in public governance and plays a central role in state-building. He particularly supports the explicit inclusion of DRM improvement on the Commission's list of key development challenges addressed through budget support. While pointing out the challenges related to tax avoidance, tax evasion and illicit financial flows, the Rapporteur calls on the Commission to stick to its guidelines when conducting macroeconomic and Public Financial Management (PFM) assessments of DRM aspects to obtain a better overview of the most problematic issues e.g. the scale of tax incentives, transfer pricing, and tax evasion.

The Rapporteur also recalls the significance of a structured policy dialogue, involving interlocutors from the national government and other donors, in order to determine crucial areas of interest and to conceive a tailored aid strategy. He finally considers that confirming a direct influence of budget support efforts on the mobilisation of domestic resources requires a more detailed evaluation of specific areas of a tax system.

The Rapporteur's working document (EN) will shortly be available on the [CONT website](#).

The Rapporteur's conclusions will form part of the Commission's discharge report for the financial year 2016.

5. PRESENTATION OF EIF CORE ACTIVITIES UNDER EC MANDATES AND SHARED MANAGEMENT (SUCH AS ESIF) AND EFSI MANDATES MANAGED BY EIF

CONT/8/09911



Exchange of views with *Hubert Cottogni*, Deputy Director, Head of Mandate Management, European Investment Fund

Rapporteur: [Inge Gräßle](#) (EPP)
 Administrator: Olivier Sautière

The exchange of views will allow presenting the EIF's achievements realised so far and its future plans and to have further information on the implementation on the following activities:

- a detailed report on EIF Managed JEREMIE mandates,
- an update on EIF special initiatives and in particular the combination of resources from centrally managed mandates and regional managed ones, giving examples of how such financial instruments can be structured and what would be their impact,
- an update on other sectors initiatives applicable in financial instruments as agriculture, energy efficiency and social impact,
- an update on EFSI mandates managed by EIF.

The EIF supports Europe's SMEs by improving their access to finance through a wide range of selected financial intermediaries. To this end, the EIF, design and implement innovative financial products such as equity products, microfinance and debt financial instruments that specifically target SMEs.

Committee on Budgetary Control

In this role, the EIF fosters EU objectives notably in support of entrepreneurship, growth, innovation, research and development, employment and regional development.

The EIF contributes also to the implementation of the European Fund for Strategic Investments (EFSI).

TUESDAY, 30 MAY 2017

15.00 - 17.00

Room: Paul-Henri Spaak (4B001)

PUBLIC MEETING

6. WORKSHOP ON COUNCIL DISCHARGE - FINDING SOLUTIONS

CONT/8/06643



Rapporteur: [Bart Staes](#) (Greens/EFA)

Administrators: Tereza Pinto De Rezende (CONT Secretariat) and Vera Milicevic (PolDep D)

Different perceptions of the institutional role of the Council and of the Parliament in the discharge exercise, and the Council's lack of cooperation with Parliament by refusing to reply to the questionnaire sent annually in the frame of the discharge, led the Parliament to refuse granting discharge to the Secretary General of the Council in relation to the financial years 2009, 2010, 2011, 2012, 2013 and 2014.

Given the importance of cooperation between the two institutions and responsibility before the EU citizens, the Parliament stresses an urgent need for better dialogue. The Parliament as a discharge authority is looking for ways to solve the institutional conflict and to move forward in the process of granting discharge to the Council. The workshop should discuss ways to solve the institutional conflict by strengthening the Parliament's role as the discharge authority.

The programme is available on the [committee website](#).

7. ANY OTHER BUSINESS

8. NEXT MEETINGS

TUESDAY, 30 MAY 2017

17.00 - 18.30

Room: Paul-Henri Spaak (4B001)

IN CAMERA

9. COORDINATORS' MEETING



Including an exchange of views with the President of the European Court of Auditors, *Klaus-Heiner Lehne*

- 21 June 2017, 9.00 - 12.30 and 15.00 - 18.30 (Brussels)
- 22 June 2017, 9.00 - 12.30 (Brussels)

WATCH LIVE

Watch the CONT committee meeting live on the [EP website](#) or on [Europarl TV](#)

PAPERLESS PROGRAMME (INTERNAL USERS ONLY)

Access CONT committee meeting documents on [eMeeting](#) or any CONT committee information on [eCommittee](#)

FOR FURTHER INFORMATION

Contact the CONT Secretariat or visit the website of the CONT committee